



BOARD OF DIRECTORS

December 4, 2020 at 8:00am

Virtual Zoom Meeting

Meeting Minutes

I. ATTENDANCE:

Members Present:

Dr. Ted Baird, Tom Barbarini, Tim Calhoun, David Colp, Rick Dyer, Vail Harding, Steve Jackson, John Janick, Dr. Trevor Kubatzke, Lance Lyons, Kathy Miller, Anna Murphy, Christopher Randall, George Saleeby, and Tom Stanek

Members Absent:

Bob Kara, Jeff Swears, Arlandar Washington, and Dan Wyant

Chief Elected Officials (CEOB) Present:

Michael Grice, Don Hanson, Dr. Robert Harrison, Roseann Marchetti, Randall Peat, and Mamie Yarbrough

CEOB's Absent:

None.

Staff Present:

Orrin Bailey, Lily Brewer, Josh Cosner, Jenn Deamud, Jake Gustafson, Todd Gustafson, Kristin Harrington, Gillian Korfmacher, Zach Morris, Paula Polaskey, Al Pscholka, and Erin Wright

Guest:

Michael Evrard and Carol Patridge, CPAs, Yeo & Yeo, Arnie Redsicker, Praegressus

II. PUBLIC COMMENT

III. CHAIRMAN'S REPORT

Approval of September 11, 2020 Board of Directors Meeting Minutes

Tim Calhoun moved to approve the minutes of the September 11, 2020 Kinexus Group Board of Directors (KG BoD) meeting. Lance Lyons supported the motion and it carried unanimously.

2021 Meeting Schedule

Chris Randall commented that the 2021 Board of Directors meeting schedule was distributed with the BoD packet.

Acknowledgement/Thank You

Todd Gustafson and Chris Randall virtually presented a Thank You gift to Tim Calhoun and Kathy Miller for their leadership, commitment and impact on Kinexus Group and community. Mr. Calhoun served on the Board of Directors for 18 years and Ms. Miller served for nearly three years.

2019 - 2020 Audit Update - Michael Evard & Carole Patridge, CPA, Yeo & Yeo

Todd Gustafson announced that Rick Dyer will be the new Chairperson of the Kinexus Group Investment Committee, replacing Tim Calhoun. Todd thanked Mr. Calhoun for his leadership on the BoD, and as

Chairperson of the Investment Committee for the last 18 years.

Todd introduced Carol Patridge & Michael Evrard, CPAs of Yeo & Yeo. Mr. Evrard presented the 2019-2020 audit results and financial statements. Mr. Evrard thanked Orrin Bailey, Molly Vincet and Gill Korfmacher for their work and timeliness while conducting the virtual audit. Discussion followed.

Ad Hoc Corporate Governance Committee

Todd Gustafson reported that a new Board Ad Hoc committee has been formed - the Corporate Governance Committee consisting of Anna Murphy, Chairperson, Rick Dyer and Randall Peat. The purpose of the Ad Hoc Committee is to create a world-class organization conglomerate board governance. The committee will bring affirmations of some policies to the full board for review and approval. The corporate council for KG will be involved.

Annual Appointment of Subsidiary Directors and Youth Solutions Appointment Action

Chris Randall reported according to the subsidiary (Youth Solutions, Market Van Buren and Manufacturing Growth Alliance) By-Laws, Kinexus Group the sole member of each subsidiary shall annually elect all directors. The annual election will sync up with the calendar year, with the term running January 1, 2021 to December 30, 2021. Don Hanson moved to approve the directors of Youth Solutions, Jeff Swears, Barbara Anderson, Orrin Bailey, Roger Curtis, Dr. Sarah Elmouchi, Todd Gustafson, Vail Harding, Sam Singh, Kevin Stots, John Kaczynski, Tarence Wheeler, and Vicky Kruslemski; directors of Market Van Buren, Chad Ritchie, Tom Stanek, Luke Barber, Randy Peat, Scott Smith, Donald Stull, Scott Whiteford, Arnie Redsicker, Bill Nelson, Bill Wadsworth, Paul Schincariol, Jeff Mills, Kurt Doroh, Sarah Moyer-Cale, and Daywi Cook; directors of Manufacturing Growth Alliance, Steve Jackson, Vail Harding, Colleen Killen-Roberts, John Goodell, Erik Stewart, and Todd Gustafson for the term of January 1, 2021 to December 30, 2021. Randy Peat supported the motion and it carried unanimously. Vail Harding and Randy Peat abstained.

Chris Randall reported that the Youth Solutions Executive Committee is recommending and seeking the appointment of Joya Harris, Shani Penn, George Saleeby and Brian Balasia to the Youth Solutions' Board of Directors effective December 4, 2020. Don Hanson moved to approve the appointment of Joya Harris, Shani Penn, George Saleeby and Brian Balasia to the Youth Solutions's Board of Directors. John Janick supported the motion and it carried unanimously. George Saleeby abstained.

Appointment of Representative to Michigan Works! Association (MWA) BoD Action

Todd Gustafson reported the MWA restructuring its Board of Directors in 2021. The MWA Board will transition from eleven members representing the private sector, local elected officials, and three Michigan Works! Director's Council Officers to a 37 member board representing the private sector, all Michigan Works! Directors, and other strategic workforce partners. Each local workforce development board/Michigan Works! Agency will appoint one representative and its chief administrator staff person to serve on the MWA Board of Directors. Randy Peat moved to approve the appointment of Lance Lyons as the representative and Todd Gustafson as the chief administrative officer to the MWA Board of Directors. Roseann Marchetti supported the motion and it carried unanimously. Lance Lyons abstained.

IV. KINEXUS GROUP EXECUTIVE COMMITTEE

Youth Solutions Fund Development Champion

Todd Gustafson reported Kristin Harrington and Al Pscholka have been working hard to seek money for Youth Solutions. They have also been aggressive in finding other means to raise money including the Giving Together Board of Directors Annual Giving Campaign. Mr. Gustafson asked Lance Lyons to champion the Youth Solutions fund development. Mr. Lyons accepted the champion role and encouraged the Kinexus Group BoD to help with the campaign. Ms. Harrington noted that the Giving Together campaign goal is to generate \$35,000 in board member contributions by January 15, 2021. The campaign has a commitment of \$12,000 and is a matching campaign.

Strategic Performance Review

Todd Gustafson gave an overview of the four strategic imperatives that resulted from the BoD Strategic Planning Session in July 2020. The four strategic imperatives include; 1) Enable vibrant communities, strengthen Michigan's businesses, and prepare a work-ready workforce, 2) Create a world-class organization, 3) Diversify funding sources, attract and earn funding, 4) Market Kinexus Group and the subsidiaries.

KG Health Dashboard

Todd Gustafson provided an overview of KG Health Dashboard highlighting the four strategic imperatives and the A3s. Each subsidiary has their own dashboard which will feed into the overall KG Health Dashboard.

Human Resources

Todd Gustafson reported that the KG Employee Handbook is reviewed annually based on changes within the organization to ensure the handbook is aligned with how KG works. Erin Wright proposed the following revisions to the KG Employee Handbook; Page 6, Values - Add new value "Be Inclusive...Value Differences". Page 8, Remove Guiding Strategies. Page 9, Family Brands Logos - remove Change Agents Consulting and add Manufacturing Growth Alliance. Page 10, Tools We Use - Add Paylocity, Google and RingCentral. Page 10, Revise Snow Days - "While offices are closed on these days, employees still have the ability and responsibility to work remotely. You will need to work with your manager to take advantage of our Remote Work policy". Page 12, PTO - Revise first sentence to read, "Eligible employees will earn paid time off (PTO)" and "See your PTO policy for additional details". Page 14, Revised Employee Assistance Program (EAP) - to include partnership information with Spectrum Health, Lakeland. Page 19, Reporting Harassment - remove "with assistance from the EEO Officer". Page 20, add language to Grant Specific Funded Employees - "and employee status will determine benefit eligibility subject to the terms, conditions and limitations of each benefits program". Page 21, Holidays - replace "President's Day" with "Juneteenth". Page 21, Pay Periods - revise "semi-monthly" to "bi-weekly". Page 28, Update "Kinexus Group" for EEOC language. Discussion followed regarding Item 11, Page 21, Holidays. After discussion, the recommendation was to remove Item 11, Page 21, Holidays from the proposed action for further discussion. George Saleeby moved to approve the Employee Handbook revisions as presented with the exception of Item 11, Page 21, Holidays. Don Hanson supported the motion and it carried unanimously.

Government Relations & Public Affairs

Al Pscholka reported on the presidential election 2020, the Federal Stimulus Package 2.0, and the Michigan State revenue for 2020-2021.

Marketing & Communications

Al Pscholka reported since the September BoD meeting, KG organizations were featured in 87 news stories across the state. KG hosted a Legislative Roundtable in addition to the monthly Media Roundtables. Legislators have requested a monthly roundtable to inform them of what is going on in the local market and challenges that small businesses are facing.

KINEXUS GROUP INVESTMENT COMMITTEE

Financial Reports

Orrin Bailey provided an overview of the KG available funding ending September 30, 2020 and the Formula versus Non-Formula through September 30, 2020. Mr. Bailey thanked Tim Calhoun for his service and leading the Investment Committee, and acknowledged Gill Korfmacher and Molly Vincent for their work with the auditors.

Subsidiary Online Banking Action

Rick Dyer reported that the KG Investment Committee is seeking approval to link all subsidiaries bank accounts under one online banking platform to streamline the process outlined in the Administrative

SERVICES AGREEMENT. KG and subsidiary signatories will all retain authority for their respective bank accounts. Rick Dyer moved to approve one online banking platform for KG and subsidiaries after obtaining a signature from each subsidiary board chair. George Saleeby supported the motion and it carried unanimously.

V. KINEXUS GROUP SUBSIDIARIES

Nation, State, Regional Economic Overview

Jake Gustafson gave an overview of the labor market update as of October 2020. The local unemployment has been at its lowest since the start of the pandemic, noting Berrien County's unemployment rate for October 2020 was at 4.6%, Cass County at 4.4% and Van Buren County at 4%. Area manufacturers jobs remained flat year over year. There is an increase in unemployment specifically for leisure and hospitality.

Michigan Works! BCVB

Lily Brewer reported that Michigan Works! entered a consortium with West Michigan Works! and Michigan Works! Southwest on the Future of Work Grand Challenge. The objective is to reskill 25,000 displaced workers into living-wage jobs. BCVB will serve and recruit 300 individuals.

Lily Brewer reviewed the Medical Assistant Apprenticeship program. This is a new US-DOL registered apprenticeship program providing over 18 months of training. Training includes attending classes at Lake Michigan College (LMC) two days per week, and earn wages at Spectrum Lakeland Health three days per week, in addition to receiving Career Coaching and supportive services through Michigan Works! Once the program is complete, participants will receive an advanced certificate from LMC, a Certified Medical Assistant credential, and a US-DOL certificate.

Youth Solutions

Kristin Harrington reported on the Youth Solutions strategic planning process which was a 15 month process and included over 500 stakeholders from across the state. The bold and focused strategic plan was approved by the Youth Solutions Board of Directors in October 2020. Ms. Harrington reviewed the top three priorities of the strategic plan; 1. Go all-in Partnerships, 2. Accelerate post-grad pathways and employment, and 3. Diversify funding and build a trusted brand.

Market Van Buren (MVB)

Zach Morris reported on the Small Business Loans through Van Buren County which includes the closing of 10 loans for a total of \$200K. 75% of these small businesses were women, minority, and veteran owned. The Van Buren County Commissioners approved up to 20 loans. Ten additional businesses can be supported. Mr. Morris gave an overview of the virtual investor update meeting with Representative Aric Nesbitt, and provided a fund development update noting that membership investors are continuing to grow. Todd Gustafson commented that Mr. Morris has positioned Van Buren County in a good way. Tom Stanek commented that he is proud of the MVB Board and the goals that have been met.

Manufacturing Growth Alliance (MGA)

Jenn Deamud reported that the strategic planning process is complete. One result of the strategic plan is the MGA Health Dashboard that aligns with the KG Health Dashboard. Ms. Deamud reviewed the Dashboard and identified four leading measures; active engagement, credibility, engagement, and referrals, and two lagging measures; generate revenue and increase memberships. Ms. Deamud reviewed the active engagement with manufacturers and invited the BoD to participate in the "Build Smart, Lead Strong" podcast. Ms. Deamud gave an update on the Manufacturing Growth Council which consists of diverse manufacturers from across the state that are dedicated to support small manufacturers. The BoD was encouraged to engage in the council.

VI. PUBLIC COMMENTS

None.

VII. ADJOURNMENT

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3/5/2021

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Kinexus Board of Directors Chairman

Date

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Recording Secretary

Date